

CONTINUING EDUCATION REQUIREMENTS

KENTUCKY RESIDENT AGENTS WITH A MAJOR LINE OF AUTHORITY

Courtesy notices were mailed in May to all resident agents with a major line of authority, explaining the requirements and identifying which courses and how many hours credit have been filed with our Department on your behalf. If you did not receive a notice, please verify your resident address at the following link. We also ask that you verify your date of birth, business address, and social security number: www.doi.state.ky.us/kentucky/secured/system/. This site is password protected, and is accessible only to the licensee.

Who is Affected?

- All **individuals** licensed by the Kentucky Department of Insurance as resident agents with one or more major lines of authority (i.e. life, health, variable life & variable annuity, property, casualty, and personal lines) including
 - Any newly licensed individual who has moved to or is licensed in Kentucky as a resident or home state licensee (Even if a licensing exam is not required, the agent is subject to continuing education)
 - Individuals holding a Certified Life Underwriter degree (CLU), a Certified Property and Casualty Underwriter degree (CPCU) or, a Certified Insurance Counselor designation (CIC)

How Many Hours are Required?

- A **TOTAL of Twenty-four (24)** hours of approved continuing education must be completed during each continuing education biennium
 - Of the 24 hours, at least **six (6) hours** must be directly related to any line of authority for which the agent is actively licensed
 - Of the 24 hours, at least **two (2) hours** must be specifically approved as Ethics. To view a list of all approved Ethics courses, please click here: <http://www.doi.state.ky.us/kentucky/search/course/result.asp?CID=10&type=Ethics>
 - At least **twelve (12) hours** must be classroom credit

NOTE: The 6-hour Line of Authority requirement, the 2-hour Ethics requirement, and the 12-hour Classroom requirement are all **part of** the twenty-four (24) hour requirement, and are **not** "in addition".

When Does Your Biennium End?

- For **resident agents**, the biennium begins July 1 of each even year and ends on June 30 of the next even year.
- If you were **licensed as a resident agent on or before June 30, 2001, you must earn 24 hours of approved continuing education credit by June 30, 2002.**
- If you were **licensed after June 30, 2001, you have until June 30, 2004,** to meet your continuing education requirements, and every even year thereafter.

What Courses Qualify for Credit?

- Insurers that you are appointed to represent may be approved to offer continuing education. Further, there are numerous independent providers of continuing education that are approved. You must contact the continuing education course provider to determine course dates, locations, fees, and availability.
- Only courses that are prior approved by the Commissioner will satisfy the requirement. To view approved continuing education course providers, please click here: <http://www.doi.state.ky.us/kentucky/agent/providers.asp>
- Courses completed in another state *may* be given credit in Kentucky if approved in Kentucky prior to your taking the course. The agent must provide a copy of the **actual course approval** from the other state at the time of requesting approval of the course.

How Many Credits Can You Get From One Source?

- Credit for an approved course can only be earned once every biennium
- Instructors can earn credit for a course they teach, one time only, within a biennium.
- Correspondence courses have up to 12 credit hours maximum
- Credit hours earned over 24, within a biennium, can be carried over to the next biennium
- Carry-over hours will **not** count toward the "ethics" or "line of authority" requirement which must be completed within **each** biennium.

How Do I Show Proof of Completing an Approved Course?

- Usually the **provider** files proof that you completed the course. However, you should periodically check the Department's Web site to see if **you** need to file a copy of your **Form CE-301**
- **Correspondence** course attendance certification is filed by the provider by sending the Department a copy of the Certificate of Completion **Form CE-301** within 30 days after the course is completed.

- **Classroom** course attendance certification will be filed by the provider using a Course Roster (**Form CE-300**). The Roster must be:
 - Completed by the provider
 - Signed by each agent completing the course (sign-in sheet attachments will be accepted)
 - Filed with the Department by the provider within 30 days after the course is completed
- The Continuing Education Certificate of Completion **Form CE-301** must be completed by the provider for each agent completing either a classroom course or a correspondence course
 - You will be given the original of Form CE-301, and you must keep this Form CE-301 for at least 3 years
 - The provider must keep a copy of your Form CE-301 for at least 3 years
 - The Department may request copies of Form CE-301 from either you or the provider

What Happens If You Fail To Show Proof of Meeting Continuing Education Requirements?

- YOUR LICENSE SHALL **TERMINATE** by law, and you must promptly surrender your license certificate to the Department without demand (KRS 304.9-295(9))
 - If you fail to meet your continuing education requirements; or
 - If proof of completion for your required number of credit hours have NOT been filed with the Department
- To assure you are properly credited for all of your continuing education courses, you should visit the Department's web site 30 days or so after each course to verify the provider has filed the correct information

What Can You Do If Your License Terminates for Failure to Meet Continuing Education Requirements?

- Within 12 months after a license is terminated for failing to submit certification of continuing education, your license may be reissued, if you:
 - Satisfy your delinquent continuing education requirements
 - File proof of completion of the required courses
 - Submit a new application and fees for a license and for each line of authority.
 - Have each appointing insurer submit a new appointment form and fees for an appointment
- If the continuing education delinquency remains unsatisfied for 12 months or longer, you must start all over again and satisfy all of the licensing requirements specified in KRS Chapter 304 including preclicensing training and passing any relevant examinations

Who is Exempt From Meeting Continuing Education Requirements?

- Limited lines of authority are exempt. Specifically:
 - Motor Vehicle Physical Damage Insurance only
 - Mechanical breakdown insurance only
 - Limited Line Credit only
 - Travel Insurance sold by persons representing common carriers in the course of that representation only
 - Crop-Hail Insurance only
 - Limited Line Surety only
- Agents receiving their license less than one full year before the end of the current continuing education biennium are exempt from that biennium. (But, these agents are not exempt from the next biennium and thereafter.)
- Agents who have a waiver from continuing education requirements because they are keeping their license for the sole purpose of receiving renewals or deferred commissions and have filed a supporting Affidavit with the Department.

Who Qualifies for a Waiver from Continuing Education Requirements?

- If you are not actively soliciting or writing insurance business and only want to keep your license to receive renewals or deferred commission, you must give the Department a signed, notarized **Affidavit** attesting that all commissions you receive are for renewal only. An agent falsifying this information will be subject to administrative penalties, revocation of licenses, or both.
- You cannot sell, solicit, or negotiate insurance while this waiver is in effect.
- New appointments will not be processed for any individual while this waiver is in effect.
- You must comply with all other license renewal requirements, including maintenance of financial responsibility and payment of renewal fees
- The Affidavit form can be downloaded from our Web site.

How Do You Re-Activate Your License After Filing An Affidavit?

You may withdraw your Affidavit and have all restrictions against selling, soliciting, and negotiation insurance removed from your agent license by

- Completing the continuing education requirements for the immediate preceding continuing education biennium;
- Providing a certification of completion of those continuing education requirements; and
- Providing a signed, written statement withdrawing the Affidavit

The law does not provide for the continuing education requirement to be waived under any circumstances after the withdrawal of your Affidavit.

CONTINUING EDUCATION REQUIREMENTS

KENTUCKY NONRESIDENT AGENTS WITH A MAJOR LINE OF AUTHORITY

Kentucky is reciprocal with the nonresident agent's home state requirements for continuing education, as of July 14, 2000. If you meet the requirements of your home state then you have met Kentucky's requirements.

When Is Compliance Verified?

- For **nonresident agents**, compliance of home state continuing education requirements is verified on July 1 of every odd year.

How Is Compliance Verified?

- **Through the NAIC** – The Department uses the NAIC Producer Data Base (PDB) to verify that each Kentucky nonresident agent licensee is in good standing in his or her home state.
- **Through the Home State** – If the state is not PDB-compatible, the Kentucky Department of Insurance sends that state an electronic listing for verification each of the agents is in good standing.
- **Through the Nonresident Agent** – If the Department cannot verify through PDB or the electronic listing that a nonresident agent is in good standing in his or her home state, the Department contacts the nonresident agent to request a home state certification letter showing good standing.